

WORKFORCE OBSERVATIONS FOR WEST CENTRAL WISCONSIN COUNTIES

OCTOBER 2001



State of Wisconsin
Department of Workforce Development

Unemployment Rates Plummet in September

At a glance...

The September seasonally adjusted unemployment rate for the Eau Claire-Chippewa metropolitan area dropped to 4.4 percent, down from the spike in August to 5.0 percent. The unemployment rate that increased so dramatically in August decreased significantly in September, however it remains much higher than one year ago when the rate was 3.5 percent.

According to the Wisconsin Department of Workforce Development estimates, the primary reason for the lower rate in September was a reduction in the number of unemployed in the area. Out of a total labor force in September of 85,600 the number of unemployed declined to 3,800 from over 4,300 in the previous month. The number of unemployed in the State of Wisconsin also declined in September precipitating a drop in the seasonally adjusted unemployment rate to 4.0 percent from 4.3 percent in August. The national unemployment rate was unchanged at 4.9 percent.

Unemployment rates in all nine counties of the West Central region, which are not seasonally adjusted, also declined from August to September. In all counties, the primary reason for the lower rate was a reduction in the number of unemployed. The West Central regional unemployment rate declined from 3.8 percent in August to 3.0 percent in September as the number of unemployed dropped by nearly 1,900 residents. Pierce County had the second lowest rate in the state with 1.8 percent unemployed (Dane was the lowest with 1.6 percent unemployed).

The force behind the lower unemployment rates in September began in August. Summer workers, primarily students, left the labor market to return to school and school workers went back to jobs after summer break. The September labor force estimates measure activity that occurred during the second week in September and do not reflect any changes that may result from the terrorist attacks.

Notice: Since downsizing to a two-page format readers have missed the monthly Consumer Price Index. You can register to receive this information monthly via email at: www.bls.gov/bls/list.htm, or you can go to www.bls.gov and retrieve the data every month.

Historic and current labor force and year-to-date wage and salary employment estimates are posted at www.dwd.state.wi.us/lmi

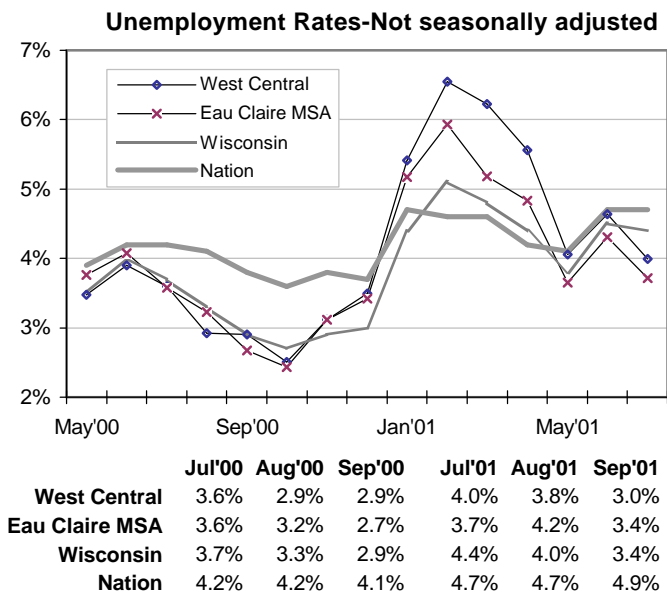
A closer look...

The number of unemployed declined in every county of the region in September for two reasons. First, workers laid off from area schools last spring returned to work in September and, second, summer jobseekers left the labor market to return to classes. The laid off workers included those not under annual contracts with school systems such as kitchen workers, cleaning staff, bus drivers, teacher aides and other support personnel. These workers are eligible for unemployment compensation benefits and many do file claims during the summer months. The number of claims filed by local residents in West Central Wisconsin declined by over 730 in September, half of which occurred in the metro area. In mid-September over 3,200 claims were filed for unemployment benefits compared with 3,950 in mid-August.

Even with the decline, the number of residents filing claims for benefits remains much higher than one year ago and higher than any September since 1992. The reason unemployment claims are so high points to the reduction in the number of manufacturing workers in the Eau Claire-Chippewa metro area and in the rural counties in the region.

In Eau Claire-Chippewa the number of manufacturing jobs declined by 300 in September and are down 800

from one year ago. Even more telling is that there are nearly 2,000 fewer production jobs this year compared with September 1999. The number of total jobs in the metro area, however, is only 400 short of the total number



of jobs from September 1999 and is 900 higher than last year. While some production workers remain out-of-work, others have found employment with employers in industries that are hiring: construction, transportation and utilities wholesale and retail trade, services, and state and local government.

A similar picture exists in the rural counties of the West Central region. The total number of jobs in the region remains higher compared with one year ago as employers in nearly every industry, except manufacturing, hired workers. There are slightly fewer manufacturing jobs than one year

ago, although the loss is less dramatic than in the metro area. Roughly 400 production jobs were lost in September as weakness in durable goods production spread through the state and region. Orders for industrial equipment have been declining all year. Even though there was some optimism over a recovery in early 2002 beginning to appear prior to September 11, that faded following the attacks.

Unemployment claims by mid-October showed little reaction to those events, however. The number of claims in the region declined to 3,116 in the second week of October, contrary to the increase in claims statewide.

September Estimates	Wisconsin	EC MSA	Barron	Clark	Dunn	Pepin	Pierce	Polk	St.Croix
Civilian Labor Force*	3,038,900	85,000	24,700	16,600	21,700	3,300	20,900	23,800	34,200
Employed	2,935,900	82,200	24,000	15,900	21,100	3,200	20,600	23,000	33,500
Unemployed	103,000	2,900	700	700	600	100	400	800	700
Unemployment rate(%)	3.4%	3.4%	3.0%	4.2%	2.8%	3.1%	1.8%	3.5%	2.1%
Total jobs, all industries**	2,857,000	78,100	22,300	10,200	15,100	2,200	11,200	15,600	27,900
Construction & Mining	137,670	4,240	970	580	900	180	550	1,090	1,730
Manufacturing	591,290	11,610	7,010	3,310	2,040	170	1,420	4,600	7,230
Transportation & Public Util.	137,860	3,800	670	420	510	120	500	510	1,100
Wholesale Trade	137,550	3,310	560	590	660	280	300	350	590
Retail Trade	502,210	18,840	4,280	1,370	4,430	480	2,280	2,890	6,040
Finance,Ins,Real Estate	152,490	3,070	400	230	440	70	330	480	820
Services	793,140	21,240	3,930	1,590	2,750	420	2,240	3,050	6,630
Government	404,840	12,010	4,460	2,080	3,360	530	3,550	2,620	3,800
Change from previous month									
Civilian Labor Force*	-42,500	-800	-200	-500	-300	-100	-400	-400	-800
Employed	-23,600	0	-100	-400	-200	-100	-200	-200	-400
Unemployed	-18,900	-800	-100	-100	-100	0	-200	-200	-400
Unemployment rate(%)	-0.6%	-0.9%	-0.3%	-0.7%	-0.3%	-0.9%	-0.9%	-0.6%	-1.1%
Total jobs, all industries**	3,300	1,000	300	100	100	0	800	100	-500
Construction & Mining	-2,600	-200	0	0	0	0	0	0	-100
Manufacturing	-6,120	-310	-120	-80	0	0	10	-60	-190
Transportation & Public Util.	3,380	90	50	40	30	10	-10	-10	30
Wholesale Trade	-1,840	-20	-20	0	0	-10	-10	-10	-20
Retail Trade	-4,660	40	-80	0	50	-20	70	-20	-80
Finance,Ins,Real Estate	-1,000	10	0	-10	0	0	-10	0	-20
Services	-7,690	10	-40	-10	-20	0	20	-40	-280
Government	23,810	1,350	520	130	70	50	780	240	80
Change from one year ago									
Civilian Labor Force*	87,400	3,000	600	800	700	100	100	1,400	400
Employed	71,200	2,400	900	700	600	100	300	1,200	500
Unemployed	16,200	700	-300	100	100	0	-200	100	-100
Unemployment rate(%)	0.4%	0.7%	-1.2%	0.3%	0.4%	0.2%	-1.0%	0.4%	-0.4%
Total jobs, all industries**	1,100	900	300	0	0	0	200	500	800
Construction & Mining	-1,400	600	100	0	100	0	0	100	200
Manufacturing	-27,070	-820	-60	70	-130	10	60	100	-70
Transportation & Public Util.	1,840	80	20	30	20	-10	-30	10	-30
Wholesale Trade	-2,020	150	20	-30	-10	0	20	0	0
Retail Trade	1,530	400	-30	-10	70	0	60	80	370
Finance,Insurance,Real Estate	3,250	390	-30	-20	20	0	10	10	30
Services	16,380	30	200	0	40	0	20	120	190
Government	8,550	100	120	-50	-20	-10	70	80	130

* Includes participants residing in area. ** Includes employment with employers located in area. Estimates are NOT seasonally adjusted. Current month estimates are preliminary. Totals may not add due to rounding. Calculations based on unrounded numbers.

Look for the most current Labor Market Information at: WWW.DWD.STATE.WI.US/LMI

Direct questions and comments to: **Beverly Gehrke, Labor Market Analyst**
 Hayward Job Center, 15618 US Hw 63, Suite 108, Hayward, Wisconsin 54843
 715-634-5289 715-634-6094(FAX) e-mail: gehrkb@dwd.state.wi.us